

# GWYNEDD COUNCIL CABINET



## Report to a meeting of Gwynedd Council Cabinet

<b>Date of meeting:</b>	16 July 2019
<b>Cabinet Member:</b>	Councillor Gareth Thomas, Cabinet Member – Economy and Community
<b>Contact Officer:</b>	Sioned Williams, Head of Economy and Community Department
<b>Contact Telephone Number:</b>	Ext. 32547 01286 679547
<b>Title of Item:</b>	<b>Arfor Innovation Fund</b>

### 1. THE DECISION SOUGHT

- a) That Gwynedd Council acts as the lead body for the Arfor Programme, by targeting Welsh Government's Arfor Innovation Fund resources on behalf of Gwynedd, Anglesey, Ceredigion and Carmarthenshire Councils;
- b) That the Cabinet supports a package of Gwynedd Arfor Programme projects, and delegates the decision to approve bids for the expenditure in Gwynedd to the Head of Economy and Community Department in consultation with the Treasurer.
- c) For Cabinet to authorise Head of Economy and Community in consultation with the Head of Legal Service to agree and complete a suitable contract between authorities

### 2. THE REASON FOR THE NEED FOR A DECISION

Acting as the Arfor Programme Lead Body means that Gwynedd Council will be accountable for the performance and expenditure of the Programme across the four counties, in accordance with the terms and conditions of Welsh Government's proposal letter for the Arfor Innovation Fund. Gwynedd Council needs to be aware of the risks associated with the steps that have been taken to manage the risk.

£466,250 is available to be invested in Gwynedd over a two-year period on activities that would lead to the creation of new jobs that, in turn, would support the language in our communities. The Gwynedd Arfor Steering Group has been established to identify a package of innovative projects to trial over the period that is in-keeping with the programme's criteria. Arrangements are already in place to measure the impact of the various types of interventions on the economy and on the language. The Cabinet's support is requested to the

recommendations of the Steering Group for the expenditure, and for the right to approve bids.

### **3. INTRODUCTION**

Following a budgetary agreement between Welsh Government and Plaid Cymru, in February 2019, [the Minister for the Economy, Ken Skates AM, confirmed](#) that a budget of £2 million was available to Gwynedd, Anglesey, Ceredigion and Carmarthenshire Councils to trial innovative methods of supporting the economy in the Welsh language's heartlands. The funding is available up to the end of 2020/21.

The Leaders of the four Local Authorities have been meeting regularly over the past year in order to discuss priorities for the Programme. The Arfor Programme Board has been established, which includes the Leaders of the four counties, and commentators from Welsh Government are present. At a meeting of the Programme Board, Gwynedd Council was asked to act as the lead body for the four counties, by co-ordinating the relationship with Welsh Government.

It was agreed that it was a priority for all counties to refer the majority of the budget to implementing plans locally, by sharing the lessons learnt in order to inform further plans in future. It was agreed to safeguard some of the budget to draw up a plan to develop the economy and create jobs in the Arfor area for the future, and to hold some joint pilot activities.

### **4. THE REASONING AND JUSTIFICATION FOR RECOMMENDING THE DECISION**

#### Gwynedd Council is the lead body for the Arfor Programme

In order to manage the risks associated with the lead body's role, the programme will be managed within the Economic Development Programmes Service, which has extensive experience of developing and managing similar grant programmes. A specific officer has been identified to manage the Programme, and Gwynedd Council will receive a remuneration of £27,500 for the leading role in co-ordinating the work.

The work will include co-ordinating meetings, commissioning and managing joint activities for the counties, gathering information about the expenditure and activities of individual counties, submitting claims to Welsh Government and then referring the funds onwards to the counties.

The role will also lead on the cross-county activities that includes the commission to evaluate the activities and draw up a new strategy for the western region for the future. Additionally, it will lead on the Bwrlwm Business Scheme, which includes a welcome pack to the Welsh language to promote value and pride in the Welsh language across the region, thus raising businesses' awareness of the business opportunities and the importance of the language to our communities.

In order to minimise the risks for Gwynedd Council, the Service, in consultation with the Treasurer, has drawn up an agreement between Gwynedd Council and the other counties, which places Anglesey, Ceredigion and Carmarthenshire Councils under an obligation to act in accordance with the terms and conditions

of Welsh Government's financial proposal, and to provide information in accordance with the need to enable Gwynedd to fulfil its role.

The proposed activities of the Arfor Programme in Gwynedd

£466,250, including overheads, is available to implement plans within each individual county.

In Gwynedd, a Steering Group was established to lead on developing Arfor ideas in the county, comprising of the Cabinet Member for the Economy and Community and the Cabinet Member for Corporate Support (who is responsible for the Welsh language), along with relevant officers and partners who are leading on linguistic planning, and economic and business support matters in Gwynedd. The Group recommends that the following pack of schemes be implemented in Gwynedd, with the aim of targeting resources from external funds in order to add to the Arfor resources to extend the impact:

Project	Arfor Budget	Details
<p><b>Support for Enterprise</b></p>	<p>£251,250</p>	<p>Provision of practical and financial support to give businesses confidence to grow and create new jobs within communities.</p> <p>Tailored support for the needs of the individual business will be provided, which could include, e.g. short-term support with rent to move to a larger building, help to buy additional equipment to produce more, mentoring to give confidence for a business to grow, or training to develop new skills.</p> <p>Support for Enterprise will encourage businesses to identify their ambition and the steps required to achieve it, and support them to realise their ambition. The Fund will focus on supporting businesses to create products (small manufacturing, food and drink, energy, software, etc.) as this is lacking within the rural economy.</p> <p>We will be working in partnership with key stakeholders such as Business Wales to realise the plan in order to ensure that Support for Enterprise adds value to the existing offering.</p> <p>The plan will respond to the need for more and better jobs in the Welsh language heartlands and, through this, it will keep local residents who speak Welsh within our local communities and will attract others to return. The plan will also contribute towards regenerating our towns and</p>

Project	Arfor Budget	Details
		villages, and restoring them as places to live <i>and work</i> .
<b>Maker and Co-location Spaces</b>	£75,000	<p>A plan to maintain three or four temporary maker / co-location spaces in the towns of Welsh language heartlands in Gwynedd. It is intended to establish the space in vacant shops on the high street and in vacant industrial space in order to target a range of local businesses.</p> <p>The space will include a maker workshop with a range of new / modern devices and machinery (e.g. CNC machinery, 3D printers, etc.) and a work space with a number of work desks / benches.</p> <p>The locations will be operational within approximately six months (with an additional set-up and closing-down period). During this period, the location will provide training / taster sessions for local businesses on the use of modern machinery; will be a hub for business support activity locally; will be a networking space for local businesses and will offer work desks / benches to rent.</p> <p>The plan aims to contribute towards resolving many challenges, including the need to generate more to create a new wealth; a lack of adopting modern technology / techniques amongst businesses and the lack of collaborating and trading amongst local businesses.</p> <p>The plan will also contribute towards the regeneration of towns, and is an opportunity to attract interest in technology in a wider context within the local community.</p> <p>By stimulating economic activity and the regeneration of local towns, this will contribute to the economic and social sustainability of communities, and therefore would support the Welsh language.</p>
<b>Enterprising Communities Challenge</b>	£80,000	This is a plan to support pilot schemes led by the local community to encourage and support the development of the foundational economy, thus facilitating progress in the local supply

Project	Arfor Budget	Details
		<p>chains, local employment, increase the amount of funding that comes into a community, and that stays there.</p> <p>The scheme is implemented in 'challenge' form, by choosing plans from (up to) three communities. There will be an open call for communities to present their proposals on a clear brief form (receiving evidence of extensive commitment to the application within the community will be essential).</p> <p>The project responds to the challenge of supporting the provision of basic services and goods in the communities of the Welsh language heartlands that, as a result, see a change in society's constitution (fewer people / young families, more older people, commuting to work, etc.)</p>
<p><b>Llwyddo'n Lleol</b></p>	<p>£100,000 (£50k Gwynedd and £50k Anglesey)</p>	<p>This is a plan to persuade young people who are at risk of leaving / who have left the area - and those who can influence them (family, school and the wider society) - as a way for them to have a bright future with a good job in an exciting field here in Gwynedd.</p> <p>The aim will be achieved through a commission to hold a multi-media and innovative marketing campaign by using young people to persuade their peers.</p> <p>This is done by giving young people an opportunity to work in local businesses within contemporary fields such as media, digital and energy, or businesses within traditional fields (such as tourism or food and drink) that is breaking new ground and interview and shadow prominent and successful individuals within the industry. The fruits of the young people's labour will be a way of creating products (videos, blogs, photographs, articles, community newspapers, etc.) to be distributed as part of the marketing campaign.</p> <p>Llwyddo'n Lleol will be a joint scheme in Gwynedd and Anglesey, which recognises the integrated nature of the economy / workforce and communities either side of the Menai Strait.</p>

Project	Arfor Budget	Details
		The plan responds to the challenge of young people moving away from the Welsh language heartlands, which undermines the credibility of communities, erodes the viability of services and reduces the vitality of Welsh language heartlands.
TOTAL:	<u>£506,250</u>	£456,250 from Gwynedd's Arfor budget £50,000 from Anglesey's Arfor budget <i>£10,000 has been provided from the Gwynedd Arfor budget to meet the Council's costs associated with implementing the above projects</i>

#### Arfor Programme Budget

The budget total for the Arfor programme from Welsh Government is £2,000,000. Welsh Government is funding the programme 100%.

The budget's division is as follows:

Activity	Cost
Central administration	£27,500
Central publicity / promotion	£7,500
Commission a strategic plan / evaluation	£60,000
Bwrlwm Business Scheme (jointly across the four counties)	£40,000
Local county schemes (£466,250 x 4)	£1,865,000
<u>TOTAL</u>	<u>£2,000,000</u>

#### **5. NEXT STEPS AND TIMETABLE**

Welsh Government's proposal letter has been received, and an agreement between Gwynedd Council and Anglesey, Ceredigion and Carmarthenshire Council is being drawn up.

Management structures for the entire programme and the local programme in Gwynedd have been established.

It is intended to begin activities in Gwynedd in July 2019.

The programme will end in March 2021.

## **6. ANY CONSULTATIONS UNDERTAKEN PRIOR TO RECOMMENDING THE DECISION**

### Chief Finance Officer

With the Cabinet's agreement to for Gwynedd Council to act as the lead body, I will work with the Head of Economy and Community and the other relevant officers to claim the Arfor grant and to account for the expenditure on behalf of the 4 Councils. Prioritising projects in Gwynedd's Arfor programme is a matter for the Cabinet's consideration

### Monitoring Officer

It is crucial that a contract between appropriate authorities is completed to support the role of lead body to ensure clear process and sufficient security to the Council.